



Handwritten initials, possibly "MS" or "MR", in a cursive style.

L. S. Schreiber
Vice President,
National Accounts
Winston-Salem, NC 27102
(910) 741-1621

December 6, 1995

TO: RJR - W.A.M. Account Representatives
RE: RJR/W.A.M. 1996 Promotion Program

Today, we notified Win Schiller of W.A.M. Enterprises that we have canceled the 10 cent accrual portion of the Promotion Test, effective immediately.

We have received several customer inquiries and complaints concerning W.A.M. distributors apparently seeking to use the 10 cent accrual feature of the W.A.M. test to gain market advantages over non-W.A.M. distributors. This is contrary to our purposes in going forward with W.A.M. More important, this unanticipated action by a few direct accounts threatens to put us in a difficult position with our other direct accounts around the country. Canceling the accrual portion of the W.A.M. test is the sensible course to assure continued good trade relations with our customers and adherence to our basic approach of neutrality in competition among our direct accounts.

On a positive note, you should reinforce to your W.A.M. Distributor that the SIGNATURE Private Label Program is still available as per our SIGNATURE contract agreement as an "exclusive" Private Label brand for W.A.M. Also our Full Price and Savings Promotions with the \$1.50 payment remains available for all twelve months as per the original promotional calendar. It is important to reinforce and focus the W.A.M. Distributor's attention on the fact that these remaining tools can still be instrumental in generating meaningful earnings from our 1996 Wholesale Partners Program.

Sincerely,

L. S. Schreiber

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